



Legislation Text

File #: Res 1678-2017, **Version:** *

Res. No. 1678

Resolution calling on the New York State Legislature to pass, and the New York State Governor to sign, legislation providing higher Medicaid reimbursement rates to health practitioners offering care in specialized fields, including but not limited to obstetric services

By Council Member Crowley

Whereas, Medicaid is a jointly funded, federal-state health insurance program that provides free or low cost health coverage to an estimated 69 million Americans; and

Whereas, Medicaid covers a broad range of people, including low-income people, families and children, pregnant women, the elderly and people with disabilities; and

Whereas, The New England Journal of Medicine indicates that Medicaid coverage significantly improves financial security, access and use of preventive health care, and access to primary care, along with a wide range of other positive health outcomes; and

Whereas, According to the Henry J. Kaiser Family Foundation, access to health practitioners offering care in specialized fields is an ongoing challenge for Medicaid enrollees, largely due to low Medicaid reimbursement rates; and

Whereas, According to The Commonwealth Fund, lack of access to timely specialized care can result in adverse medical outcomes and potentially higher costs from avoidable emergency department visits and hospitalizations; and

Whereas, In 2013, Medicaid reimbursement fees increased nationally (known as the “fee bump”) under the Affordable Care Act (ACA), for eligible primary care physicians, but, this did not target specialized fields and expired in December of 2014, reducing New York primary care physicians’ Medicaid reimbursement fees

by more than 50%; and

Whereas, In 2016, the Henry J. Kaiser Family Foundation calculated New York's Medicaid-to-Medicare fee index for all services, indicating that in New York, Medicaid only pays physicians 56% of what Medicare pays the same physicians, ranking in the lowest 10% of states in the United States; and

Whereas, According to a 2017 survey by Merritt Hawkins, a national physicians search and consulting firm, the average number of New York City physicians who accept Medicaid across five specialties, including Cardiology and Obstetrics-Gynecology, has decreased from 45.8% in 2009 to 39% in 2017; and

Whereas, This decrease in Medicaid acceptance from 2009 to 2017 is most likely due to low reimbursement rates to specialists in which the cost of providing the service is more than the actual reimbursed fee from Medicaid and/or Medicaid reimbursement is relatively low compared to that of other payers; and

Whereas, According to the New York City Department of Health and Mental Hygiene's June 2017 yearly report on Medicaid Global Spending Cap , the total Medicaid provider spending that occurred through June 2017 for New York City was approximately \$4 billion; and

Whereas, In Fiscal Year 2018, New York State's Medicaid program is estimated to provide services to over 6 million individuals through a network of more than 80,000 health care providers and over 90 managed care plans, expecting to total \$65 billion; and

Whereas, New York should explore ways to fund higher Medicaid reimbursement rates for physicians offering care in specialized fields; and

Whereas, Higher Medicaid reimbursement rates for physicians that offer care in specialized fields are needed to improve specialist provider participation, patient access to care, and the health care system; now, therefore, be it

Resolved, That the Council of the City of New York calls on the New York State Legislature to pass, and the New York State Governor to sign, legislation to provide higher Medicaid reimbursement rates to health practitioners offering care in specialized fields, including

but not limited to obstetric services

LS#197
10/3/2017
KK